

**MINUTES OF THE REGULAR MEETING OF THE  
WASHINGTON STATE TRANSPORTATION COMMISSION  
May 15 & 16, 2002**

The regular meeting of the Washington State Transportation Commission was called to order at 9:00 a.m., on May 15, 2002, in Room 1D2 of the Transportation Building in Olympia, Washington.

Commissioners present were: Chris Marr, Ed Barnes, Aubrey Davis, Elmira Forner, George Kargianis, A. Michèle Maher. Commissioner Niva was present by telephone for a portion of the meeting.

**APPROVAL OF MINUTES**

It was moved by Commissioner Maher, and seconded by Commissioner Barnes, to approve the minutes of the April 4, 2002 and April 17, 2002 Commission meetings. The motion was approved unanimously.

**ADMINISTRATOR'S REPORT**

Chris Rose, Commission Administrator, briefed the Commission regarding updates required for the Commission's administrative policy regarding travel and other expense reimbursement, in response to regulation changes by the Office of Financial Management. The commissioners expressed concern about the existing policy calling for descriptions of the purpose of each trip, and the level of detail that might be required. Mr. Rose explained that the purpose of the policy is not an extensive description, but is to be clear regarding the basic purpose of the trip.

***It was moved by Commissioner Maher, and seconded by Commissioner Davis, to approve the policy changes as recommended. The motion was approved unanimously.***

Mr. Rose also discussed the agenda and travel arrangements for the May 22, 2002 Ellensburg meeting. Commissioner Marr commented on the value of the local area meetings and expressed his appreciation to the Department's regional staff and Commissioner Forner for their work in preparing for the Ellensburg meeting.

**OFFICE OF THE SECRETARY REPORT**

Secretary MacDonald informed the Commission that he was able to commute to work today by bicycle, and planned to continue to commute by bicycle as much as possible, subject to the weather. He noted that the Chehalis-Western Trail, a local pathway, is a very beautiful and enjoyable trail.

Cleve Pinnix, Director, Parks & Recreation Commission, expressed his appreciation to the Department in general, and Judy Lorenzo, Heritage Corridor Program

Manager, in particular, for assistance in planning for the Lewis & Clark Bicentennial. He commented that Ms. Lorenzo has worked very well with the many agencies involved in the Bicentennial, and is organized and constructive in her work. She is making a very valuable contribution to the program. He presented an American flag to Ms. Lorenzo on behalf of all the agencies working on the Lewis & Clark Bicentennial. The flag was a fifteen star flag, the same kind as flown by the expedition as it traveled across the continent. Ms. Lorenzo stated that it is an honor to be part of the Bicentennial Celebration, and expressed her appreciation for the support of the Commission and the Department executives, and for the cooperation of all the staff in the many agencies working on the project.

Secretary MacDonald introduced Kathleen Davis, the new Director of Highway and Local Programs, and Kermit Wooden, the new Director of Human Resources. Ms. Davis stated that she was looking forward to working with the Commission, and would be working with the local communities to obtain increased funding for improving their transportation systems. Mr. Wooden stated that he was looking forward working with everyone.

Secretary MacDonald discussed the work on SR 529, in the Everett area. He reminded the Commission of the project's traffic management challenges last summer. An improved traffic management effort this year resulted in a much better transition for the commuters, including improved information outreach. The commuters are able to travel the route with much less disruption. A truck fire at the site was the only unusual event, and the incident response team was able to respond within three minutes.

Secretary MacDonald also discussed another project, SR 18, a four-mile long project widening the highway from two to four lanes. It requires re-routing of traffic between the old and new lanes while construction is proceeding. It is supposed to be finished in December, and is on time and on budget. Commissioner Forner expressed her support and appreciation for the project, recalling that when she was in the Legislature, the route was called Blood Alley, because of the accident rate on the highway. Secretary MacDonald reminded the Commission that there are two more projects after this, to complete the work on SR 18.

Secretary MacDonald showed the Commission pictures of the dam break on SR 503, which severely damaged the highway as a result of flooding. He explained the damage that resulted from the flooding and the repairs that were made. The Department crews repaired the damage in four days, installing large culverts underneath the highway to allow the water that would have been held back by the dam to flow under the highway. Commissioner Kargianis expressed his concern about the dam failure's impact on the highway and environment and asked that the Commission be kept informed of any review of the feasibility of replacing the dam.

Secretary MacDonald continued discussing the efforts to improve communication with the public about what the Department is doing. He showed the Commission

a news clip from KOMO News from two weeks previous, regarding the Northwest Region Traffic Management Center. He also showed a KING News special report on the effectiveness of ramp metering and the public's perception of the ramp-metering program. He pointed out that the conflicting public perceptions of the effectiveness of the ramp-metering program, and the questions asked by the reporter regarding the ability of the Department to demonstrate whether the program actually helps reduce the travel time for drivers over what it would be without the program, shows the need for the performance measures being developed by the Commission's Benchmark Committee.

Secretary MacDonald informed the Commission that the Department's participation in the Texas Transportation Institute's congestion measurement program would be discontinued because of the limitations of the methodology used by the Institute. He stated that the Department would reinvest the money normally used for support of the Institute to support the Department's work on congestion performance measures. Commissioner Kargianis expressed his interest in having the Department's congestion performance measures address recurring congestion, as well as the non-recurring congestion that has been the subject of recent discussions. Commissioner Marr suggested that the Department be prepared to discuss the topic in more depth, once the Texas Transportation Institute report is published, at the June Commission meeting. Commissioner Forner expressed her interest in using the data about traffic congestion and travel time to communicate to the public what are realistic expectations for the performance of the system. At Secretary MacDonald's request, Dave McCormick, Regional Traffic Engineer, NW Region, demonstrated the new travel time web site, which shows average travel time and current travel time for each of ten major corridors in the central Puget Sound. Mr. McCormick explained the data sources and the calculation methodology, and how commuters will be able to use the information. Secretary MacDonald explained that this information would allow the Department to respond to Commissioner Forner's interest in being able to help the public to have realistic expectations. The website will also reveal that incidents have occurred and that traffic is backing up as a result. Secretary MacDonald pointed out that 17 roving patrols for incident response are coming on line this biennium, which will immediately reduce the aggravation caused by congestion resulting from accidents. In response to a question from Commissioner Forner, Linda Mullen, Communications Director, stated that the media will be notified of the website service, which will increase its use for commuters listening to radio or watching television, in addition to those who are able to access the website through their computers. Secretary MacDonald pointed out that technology is being developed to allow the information to be accessed through cell phones, and even through in-vehicle displays.

Secretary MacDonald reported on a meeting between the management teams of the Washington Department of Transportation and the Oregon Department of Transportation, which Commissioner Barnes also attended, which included discussions regarding the I-5 Partnership, passenger rail issues, and environmental issues.

## **GRAY NOTEBOOK REPORT FOR QUARTER ENDING MARCH 31, 2002**

Daniela Bremmer, Director of Strategic Assessment, distributed the report to the Commission. She pointed out that measurements for congestion were added to this quarter's information. She also noted that the report contained for the first time workforce data, to show the level of workforce employed by the Department over time. She commented that the last two pages of the report provide a comprehensive index for the report to make it easier to find information within the report. Ms. Bremmer directed the commissioners' attention to the "special features" section of the report, which provided information on the use of "vortex generators", manufactured by students at Cascade High School in Leavenworth, to prevent snow, frost or ice from accumulating on the highways. She also took note of the report on the Department and Washington State Patrol's cooperation in clearing accidents.

Kirk Frederickson, Rail Planning & Policy Coordinator, pointed out the national comparison of states' investment in intercity passenger rail and the relative fare box recovery of the routes. He also noted that the report now contains information on the performance of the Grain Train and the Washington Fruit Express. Secretary MacDonald stated that the Department recognizes that the Gray Notebook has not contained enough information on freight performance measures. He indicated John Doyle, the Director of the Freight Strategy & Policy Office, is working on closing that gap.

Ms. Bremmer then reviewed the various performance measures for Washington State Ferries, including on-time performance delivery, trip reliability, and fare box recovery, all of which demonstrate excellent performance.

Ms. Bremmer also discussed the trends in park and ride lot security, which indicate that auto thefts and property thefts are increasing in frequency. Secretary MacDonald commented that more research should be conducted regarding this trend. One solution is to increase the amount of activity in the lots as a deterrent to crime. He also pointed out that a third of the lots had very little crime, and those lots may be an indicator for solutions. Commissioner Forner asked why the Department owns parking lots. Secretary MacDonald responded that the question has been asked by others as well, and stated that the Department would come back with a discussion of that issue. Ms. Bremmer pointed out that the lots are very much in demand.

Paul Wagner, Biology Program Manager, discussed the performance measures regarding monitoring replacement wetlands. He stated that the Department has been involved in constructing and monitoring replacement wetlands since 1988. Ninety-seven sites have been constructed, for a total of 460 acres statewide. The Department creates a variety of types of wetlands, appropriate to the needs of the locale. Thirty-four sites are finished being monitored, while 63 sites are still being monitored. Remediation is conducted if the site is not performing up to the standard required. The Department reports to the regulatory agencies after every summer's monitoring.

Ray Willard, Roadside Vegetation Manager, commented on the portion of the report dealing with integrated vegetation management for highways. The Department creates various zones of vegetation, from a clear gravel shoulder to a zone requiring low vegetation to preserve line-of-sight for drivers, to a zone in which taller vegetation is allowed and desirable. The techniques for controlling vegetation in each zone are unique, and the use of herbicides is minimized and controlled. Over the past decade, the overall pesticide use and herbicide use has diminished.

Ms. Bremmer then discussed the measurement of commute travel times within Washington and compared those to the national average and other states. Washington's average commute time is approximately equal to the national average, at 24.9 minutes.

Commissioner Forner asked that the Department develop performance reports in the areas of economic development and the Aviation Program. Ms. Bremmer indicated the information would be available in the August edition of the Gray Notebook.

Secretary MacDonald closed the discussion by pointing out the information regarding safety performance measures and the information on the progress of the incident response program.

#### **PUBLIC AND LEGISLATOR COMMENT PERIOD**

Representative Mike Cooper thanked the Commission for the work that it has done during the past several years. He expressed his concern at the possibility that the Tacoma Narrows Bridge would be built using foreign steel that would be fabricated overseas, and stated his support for using steel manufactured and fabricated within the United States and within the region. He pointed out that this country has a skilled workforce that can deliver the product and also pay taxes. Using in-country steel would be an investment in Washington's future, producing family wage jobs and needed tax revenues. He pointed out that the Legislature has been providing tax breaks to companies that do not subsequently invest to create jobs within Washington State, and that the Legislature would be reconsidering that policy.

Representative Geoff Simpson spoke in support of using steel manufactured and fabricated within the United States. He pointed out that Washington is one of seven states that rely on taxes based on consumption. As a result, the state should consider using public investments to create jobs within the state. He also asked the Commission to consider the quality of the steel in selecting the supplier for the Tacoma Narrows Bridge.

Senator Pam Roach stated that she was shocked to learn that the Department is planning to export jobs by using steel manufactured and fabricated outside of the state. She pointed out that the bill report that legislators referred to when considering the legislation that allowed the Tacoma Narrows Bridge Project to go forward, made references to the creation of 500 new jobs and one million hours of trade work. She

stated the legislation was seen as a jobs creation program. She also commented that she was upset that the issue came up with such short notice.

Ron Piksa, President, Iron Workers Union Local #612 stated that several individuals would be addressing the Commission regarding concerns over the manufacture and fabrication of steel to be used for the Tacoma Narrows Bridge. He stated his opposition to the Department's current position of having 20,000 tons of bridge deck fabricated and assembled in Korea. He pointed out the decision would mean the loss of 250 to 350 jobs within the area, representing millions of dollars in wages and taxes from both direct jobs and indirect jobs. He stated that while there is a myth circulating that the United States does not have the technology or facilities for this type of project, the fact is that it does.

David Johnson, Business Representative, Iron Workers Local Union 86, provided the Commission information from the State Labor Council, the Washington State Building Trades Council, the Pierce County Trades Council and the King County Construction Trades Council. All of the organizations urge the Commission to assist in preventing the transfer of jobs to foreign countries. He stated that the information documents what is happening to the steel industry in the United States, as well as the results of several projects that used foreign manufactured steel. Mr. Johnson discussed the need for improved opportunities for apprentice training and the need to retain a healthy steel manufacturing industry in the county. He provided a copy of a Workforce Training report published in 2000 and several letters and documents commenting on the state of the steel industry in the country. He pointed out that if steps are not taken to provide training opportunities for apprentices, there will be a shortage of construction workers by 2006. He pointed out that money spent within the country for goods and labor produces additional jobs and income through a multiplier effect.

Christopher Winters, Painter's District Council 5, International Union and Allied Trades, supported the request to require the purchase of steel manufactured and fabricated in the United States. He pointed out that if the steel is purchased from overseas, that it would likely be painted overseas, resulting in fewer job opportunities for his members. He stated that he knew of projects in which the steel manufactured overseas did not meet quality standards, resulting in cost overruns.

Thomas Hickman, Oregon Ironworks, stated that his company fabricates bridges and other structures in the Portland/Vancouver area. He stated he was also representing the Pacific Northwest Steel Fabricators Association, of which he is a board member and President-Elect. He stated that there are 35 companies within Washington, and the organization represents a total of 88 companies. He stated the companies represented have the expertise and capacity to accomplish the work for the Tacoma Narrows Bridge.

Larry Lawrence, Senior Vice President of Sales and Marketing, Oregon Steel Mills, stated that he supports the use of United States steel producers and fabricators participation in the Tacoma Narrows Bridge Project. He distributed information

demonstrating the recent work of the company within Washington. He pointed out the company employs 1,000 people in the Portland facility, of which 340 live in Washington. The company also pays taxes in Washington. He described the capacity of the company for performing the work required by the Tacoma Narrows Bridge project.

Dave Williams, Vice President and General Manager, Universal Structural Incorporated, stated that his company is the largest bridge fabricator inside the state of Washington. He stated that in partnership with other companies located in Washington and Oregon, the local businesses would have the capacity to performance the work required for the Tacoma Narrows Bridge. He provided examples of other recent projects in which several companies in the area were able to perform on large projects.

Lynn Iaquina, Western Regional Director, National Steel Bridge Alliance, stated that she represents companies from 13 western states. She stated that the allegations that the companies in the region would not be able to handle the work on the Tacoma Narrows Bridge are not true, and she distributed information to the Commission regarding the work performed by the companies. She pointed out that a large number of jobs, both direct and indirect, would be created by the project, and provided information regarding the multiplier effect of the employment on the local economy. She stated that if the work goes overseas, it would be a loss to the state of Washington.

Bill McEleney, representing the Executive Director of the National Steel Bridge Alliance, pointed out that the federal policy regarding the use of United States steel on projects involving federal financing is intended to maintain the viability of the domestic steel mills and domestic steel fabricators so that they will be available in times of need, and also because of the economic benefits in the form of jobs. He stated from his personal experience that the cost differential between domestic and foreign steel is not from efficiency, but rather from the quality of life and working conditions in the foreign countries. He stated that the long-term value of foreign steel does not justify the short term cost savings. He expressed his support for using domestic steel to build the Tacoma Narrows Bridge.

Ron Krebs, International Union of Painters and Allied Trades, stated that the union represents 7,000 workers in Washington, Oregon and Idaho. He stated his opposition to using steel from Korea, given the high unemployment rates within Washington and Oregon.

Terry Tilton, International Union of Engineers Local 612, discussed the work of local engineers and construction workers on the current Tacoma Narrows Bridge when it was built. He stated that over the past 15 years the local trades workers in high rise and heavy highway construction have noticed an alarming increase in the use of foreign steel. He pointed out that the steel industry is a foundational industry for America, and should be protected. He asked the Commission not to export jobs for a lesser quality product. He asked the Commission to make sure the infrastructure to be built in Washington is built by companies and workers within the United States.

Ed Taylor, Business Representative, Operating Engineer's Union in Tacoma, stated that the operating engineers lobbied for a second Tacoma Narrows Bridge during the last several years. He stated that Washington State has the second highest unemployment in the county. He commented that 250 family wage jobs would help stimulate the local economy. Mr. Taylor asked the Commission to reconsider the decision to use foreign steel, and to make sure the Department of Transportation does not enter into an agreement until the issue has been resolved.

Thomas Lash, Deputy Director, REBOUND, stated that REBOUND is a non-profit organization funded by and working for the interests of union construction workers. He stated that transportation is key to the health of the region and its economy. He stated that the people who build the state's infrastructure have suffered from the failure to fund and construct facilities in a timely fashion. Mr. Lash commented that one of the most effective means of the government to spur economic growth is through public works construction projects. He pointed out that the building trades lobbied for improved transportation this last legislative session, and were gravely concerned to hear that the Tacoma Narrows Bridge would be constructed not only out of state, but also out of country. He stated that it is bad economic policy for government to be a partner in exporting the jobs of taxpayers. He asked the Commission to make sure that the tax dollars spent would benefit the region's economy and taxpayers.

Don Williams, a resident of Gig Harbor, stated that he supports preserving jobs within Washington State, but pointed out that the Tacoma Narrows Bridge will be paid by tolls, not taxes. He stated that the residents of Gig Harbor, representing a small population base, would be paying most of the cost of the bridge. His calculations indicate that over the life of the tolls, a family in Gig Harbor that travels across the bridge an average of eight times a week would pay \$40,000 for the bridge. He asked the Commission to consider the overall cost of the bridge and keeping the tolls as low as possible, when discussing the issue of the cost of various components of the bridge.

Commissioner Barnes responded to the comments by stating that President Bush recently signed a tariff to be applied to foreign steel, recognizing that some countries were "dumping" steel on the US market. Commissioner Kargianis questioned when and how the decision regarding the source of the steel was made, and asked that the Department brief the Commission in more detail regarding the decision process and criteria. Commissioner Forner commented that the General Fund should share the cost of any increased price for the bridge, if one of the factors to be considered is improving the economy of the state and providing jobs.

Secretary MacDonald thanked the individuals who came to comment on the issue of the source of the steel to be used in the construction of the Tacoma Narrows Bridge. He announced that the Department would be facilitating a discussion by all parties regarding the issue at noon, but suggested that the question would not be resolved in one meeting.

Bill Wright, a resident of Friday Harbor, thanked the staff of the Commission Office for its assistance in obtaining information regarding the Washington State Ferries fare increase. He stated that he has asked since March 1<sup>st</sup> for information regarding Anacortes to San Juan route each vessel's departure capacity, the number of customers loading, and the number of trips in overload status. He commented that the residents of the community need better information regarding how to use Washington State Ferries service. He recommended the Department develop a web page showing the percentage each boat loaded, so travelers can use that information in planning their trips. He stated that he has asked, since March 15<sup>th</sup>, for the level of service standard set by San Juan County, which is a standard that is supposed to be adopted by each county. He has also asked for an explanation of the data shown on the route statement summary that he received August 2000, one of which has cost data from 1991 to 1999, and one that has cost data from 1996 through 2001. He found that there is a new cost item charged for WSDOT support. That cost item rose from \$700,000 in 1998 to \$7 million in 2001. He stated that he wants to know what the increase is and what is the projected cost for the future. He stated that the percentage decrease in fare box recovery over time could be explained by the increase in WSDOT support costs. Mr. Wright stated that he wrote to the Governor asking for a repeat in the public process recently completed for the fare increases. He pointed out that the fare increase for Bremerton did not take into account the length of that route, which is second only to the San Juan Island route. Instead, Bremerton is charged the same as Bainbridge Island and Kingston, which have much shorter routes. He also wrote a year ago to the State Auditor, expressing his concern regarding the way that the fares are collected, particularly the fares collected on the islands by subcontractors. He recently received a letter from the State Auditor acknowledging that Washington State Ferries does not have adequate controls in place regarding the collection of fares. Mr. Wright stated he would like to see an action plan as to how the problem will be addressed. Commissioner Davis responded that the auditors have never identified any losses in Washington State Ferries' collection system, and that they have merely supposed that there are losses. Commissioner Kargianis added that there is a cost to creating a system that would address the auditor's concern. Commissioner Marr pointed out that the Commission's Audit Committee continues to monitor Washington State Ferries' action plan to minimize the opportunity for loss of revenue. Mr. Wright suggested that if one were to take the revenue collected and compare it to the volume of car and passenger ridership, the math will show that the number of trips generate barely the minimum possible revenue, while in fact the number of oversized vehicles and other higher fare trips would suggest that more revenue should have been generated. Secretary MacDonald stated that there is a work plan to resolve this issue, and commented that this was the first time he had heard that the performance of the subcontractors might be different from that of the other routes. He asked Mr. Wright to provide the information to Mike Thorne, the Chief Executive Officer of WSF, so that Mr. Thorne would be able to look into the matter. Commissioner Marr requested Mr. Rose review the tape to identify the issues to be considered by Mr. Thorne and communicate those to Mr. Thorne.

## **BRIEFING ON PANGBORN MEMORIAL AIRPORT AND PROPOSED COMMERCIAL AVIATION ACCESS POLICY**

Theresa Smith, Aviation Planning Manager, stated the Department became aware several months ago that the all weather access issue for Pangborn Memorial Airport in the Wenatchee area had not been resolved. The Commission had been alerted to the issue at its Wenatchee area local meeting and had sent a letter to the Federal Aviation Administration requesting assistance. Horizon Airlines is retiring its fleet of 37 Dash-8 100 series aircraft, which are equipped with MLS capability. She stated that during the past several months she worked with Joyce Stewart, Assistant Director, Port of Chelan County, to develop solutions, both short term and long term, that could be pursued. She outlined the solutions. For the short term, the airport is seeking the development of a protocol known as LNAV/VNAV, which will improve access during inclement weather. The FAA has scheduled the development of the protocol for the airport to take place in 2005, and the airport is requesting the schedule be advanced to 2003. In the near term, the installation of a new generation of instrument landing system, known as the Mark 20A ILS, will greatly increase access during inclement weather, and could be installed as early as 2005 if funded in the 2003 Federal Aviation Administration budget. Ms. Smith reminded the Commission that it has already sent letters to the congressional delegation in support of the funding of the Mark 20A ILS system. Ms. Smith stated that the long-term solution would be the development and installation of an aircraft-based on-board instrument approach system called Required Navigation Performance (RNP). Ms. Smith stated that the Department and the Port are asking the Commission's continued support for all-weather access through a letter to the Federal Aviation Administration requesting the rescheduling of the development of the protocol. She stated the Department is also requesting the adoption of a Commission policy in support of all weather access for commercial airports within Washington State.

Ms. Stewart explained the need for greater commercial air service in and out of Pangborn Memorial Airport. Last year, 55 flights were canceled due to weather. She provided a chart demonstrating the effect of winter weather, from mid-December through mid-February, on the reliability of air service for the community, and an editorial from the Wenatchee World discussing the economic impact of the service disruption during the winter. Ms. Stewart indicated that companies that have considered or are considering locating in the Wenatchee area expressed concerns about the lack of winter service reliability. She requested the Commission's assistance in improving commercial air service for Wenatchee.

The Commission agreed to send a letter to the Federal Aviation Administration, requesting more rapid action on the landing protocol.

***It was moved by Commissioner Forner, and seconded by Commissioner Barnes, to approve Resolution 633, adopting a policy in support of all weather commercial aviation for communities within Washington State. The motion passed unanimously.***

## **HIGHWAY CONSTRUCTION PROGRAM WORKFORCE STATUS 01-03 BIENNIUM**

Rick Smith, Director of Planning and Capital Program Management, reviewed with the Commission the reductions in work force that would be required to implement the 2002 Supplemental Budget. He explained that 165 individuals who would have been employed by the Department during the 2002 construction season would not be employed. The Department is making the reductions by not hiring temporary employees and by limiting overtime by permanent employees. He stated that the Department does not anticipate needing to lay off current employees prior to November 2002, but depending on the results of the referendum, there may be a need to reduce the number of full time equivalents (FTEs) from the current 2500 to 2100 by the end of the biennium. He pointed out that the numbers provided are estimates only, and that the actual numbers will be tracked and reported.

## **BUDGET STRATEGIES AND CALENDAR FOR 03-05 BUDGET DEVELOPMENT**

Judy Giniger, Acting Assistant Secretary for Finance & Administration, stated that the Department would be presenting its current thinking regarding the 2003-2005 current law budget, and a schedule for the Commission's development of a budget proposal.

Bill Ford, Chief of the Budget Office, stated that the 2003-2005 budget proposal is due in September. He reminded the Commission regarding the work accomplished so far, and indicated the Department would be seeking guidance during this agenda item concerning what information and proposals should be developed for Commission consideration during the June and July Commission meetings. He pointed out that the revenue estimates presented represent the February 2002 forecast, and that the forecast would be updated in June, prior to the finalization of the budget proposal.

Mr. Ford then reviewed the Department's current assumptions regarding the amount of expenditures that would be possible in 2003-2005 for each operating program, and the focus of reductions or increases for each of the programs. During the presentation, Commissioner Davis asked about the level of funding for the HERO program, which identifies drivers who violate the HOV lane regulations and notifies them of the rules. He asked that the Department provide detailed information at the June Commission meeting, including the funding and FTE level for the program. Commissioner Davis also asked about the funding for the Multimodal Investment Choice Analysis (MICA) project. Paula Hammond, Chief of Staff, responded that Ashley Probart, Transportation Planning Manager, would be providing a work plan to the Commission in June regarding ESHB 2304, the Transportation Efficiency Act, which would include a proposal for future action on the MICA project. Commissioner Davis asked that Doug Brodin, the project manager, come to the June Commission meeting

to brief the Commission regarding the current products and the future direction of the project.

John Conrad, Assistant Secretary for Engineering and Regional Operations, presented to the Commission three possible scenarios for investing in the highway construction program during the 2003-2005 biennium. He explained that the Department developed the scenarios as a tool for Commission decision-making during the June and July Commission meetings. He indicated the Department was seeking input as to what further information should be developed or options be considered in preparation for those meetings. Rick Smith, Director, Planning and Capital Program Management, reviewed each of the three scenarios in detail. One scenario would maximize the agency's investment in highway preservation, another scenario would restore \$28 million of the projects deferred in the 2002 Supplemental Budget, and the third scenario would fund safety projects at the level consistent with the Department's agreement with the Federal Highway Administration. Mr. Smith pointed out that each of the scenarios result in lower funding in some critical areas in order to meet the policy goal in the emphasis area. He also pointed out that because of the large amount of work-in-progress, the policy choices result in only small differences in the amount of money spent in any particular area.

Commissioner Davis expressed his support for an emphasis on safety projects, and his concern that the seismic program not be reduced in an effort to meet other policy goals. Commissioner Kargianis and Commissioner Barnes also expressed their support for the safety program. Mr. Conrad requested feedback regarding whether the agency should be spending money on preliminary engineering and right of way acquisition on projects not currently on the Referendum 51 list, given that the current law revenue level will stay in place for several years. Commissioner Forner requested that the Department provide a list of the Improvement-Mobility (I1) projects that are in the preliminary engineering or right of way acquisition stage and yet are not on the Referendum 51 list. Mr. Conrad agreed that he would provide the list. Commissioner Marr expressed his support for the concept of investing in preservation at the level necessary to achieve the lowest-lifecycle-cost efficiency goal. He stated that the safety issue is whether or not to meet the Federal Highway Administration commitment, not whether the Department is maintaining safe highways. Commissioner Maher expressed her support for the lowest-lifecycle-cost level of funding for preservation. Commissioner Davis stated his interest in dealing with the projects that were deferred. Ms. Hammond asked that the Commission not choose a specific scenario right away, but rather to identify whether there are any scenarios for which information should be developed. Commissioner Davis asked that the Department examine ways to maximize the preservation level and still restore deferred projects. Commissioner Kargianis stated that the Department should provide the Commission with project level information, so that the Commission can judge the impact of each of the scenarios on projects. He also asked for an assessment of each scenario's impact on the safety issue. Secretary MacDonald stated that the Department should show the multiple benefits of each project, rather than using the artificial budget program structure, which leads decision-makers to believe that each project has only one benefit. Mr. Smith stated that the Department would provide the Commission lists of projects

under each scenario for the Improvement-Mobility and Improvement-Safety programs. He pointed out that project lists would not be available at this stage for the Preservation program. Commissioner Marr asked that the Department at least assess the long term cost impact on the Preservation Program of investing at a lower defined level.

### **EXTRA MILE TEAM AWARD**

Commissioner Marr explained to the Commission that each year the Secretary of State sponsors an employee recognition award, known as the “Extra Mile Award”. State employees and teams of state employees are nominated for the award, and 15 awards are issued. This year, Department employees and teams won four of the 15 awards. He stated that the Department also has a tradition of recognizing all of those nominated. This year, Mel Albers, who is a Department employee, nominated Secretary MacDonald and the Executive Board member for their work to ensure adequate funding for the Department. The internal and external communication about the budget and the program of projects has improved significantly, and the recent reorganization of the Department has positioned the Department to be able to deliver on the construction projects. Commissioner Marr presented a certificate of recognition to Secretary MacDonald and the members of the Executive Board present in the audience, and expressed the Commission’s endorsement of the nomination.

### **COST ESTIMATING VALIDATION PROCESS BRIEFING**

Dave Dye, Urban Corridors Office Administrator, explained that the Department has begun a process for more accurately communicating the possible cost ranges of major projects to the public. He stated that the public wants to know, more or less, exactly what a project will cost, and then have the project delivered for that cost. The current estimating practices tend to produce a specific number that does not reflect the critical risk and variation assumptions made for a particular project. Mr. Dye commented that this is a national problem, which is being addressed across the country. A technique the Department is working through is a “cost estimating validation process”, otherwise known as CEVP. It is a statistical-based, quantifiable approach to identifying risk and variability factors for a project, and assigning a probability to each factor. The result is a range of costs with quantified probabilities, which allows management to focus its attention on a limited number of high-risk items and also allows for a better discussion of project costs with the public. Mr. Dye briefed the Commission regarding the process used, which includes a team composed of experts from the Department and the project consultant team engaging in workshops to identify risk and variability factors and assign values to each. The range of cost impacts of each risk factor is calculated, which assists the team in assigning a total range of possible costs for the project. Mr. Dye used the SR 167 corridor project as an example of how the process works and what product it creates for decision-makers to consider. Mr. Dye commented that the CEVP finds the problems and leads to the management strategies that will improve end-of-the-project cost and schedule results. He stated that the Department plans to widely publicize the use of

CEVP, and to communicate the results of each exercise. The information developed in the cost evaluations will be used during the 03-05 budget development process.

Secretary MacDonald shared with the Commission a document entitled “Regional Transportation Improvement District – Sources and Uses”, which summarized current thinking regarding the sources of funding available under the regionalism program passed by the Legislature, and how the phasing of revenues and phasing of projects will have to be coordinated.

## **COMMISSIONER REPORTS**

Commissioner Barnes reported that he participated in a meeting of the I-5 Partnership. He distributed a newsletter and draft report describing the process for developing a plan for improving freight and passenger capacity across the Columbia River, and the recommendations contained in the plan. He pointed out that the project has had extensive participation by stakeholders and members of the public. He also reported that he attended a meeting of the Tax Structure Committee. He commented that the Commission should be aware of the project, which is developing recommendations for a future tax structure for Washington. He stated that the transportation community can propose revenue increases, but unless it incorporates the understanding derived from the information being developed by the Committee, it won't be as successful as it could be. He recommended the Commission study the Committee's information and participate in the development of recommendations.

Commissioner Maher reported that she attended a Transportation & Economic Development Conference sponsored by the Transportation Research Board in Portland, Oregon. She found the sessions extremely valuable, in that the conference covered changes in manufacturing and the impact on the freight industry, and also information on the efforts of the Appalachian area states to coordinate industrial development and transportation system development. She described the work being done in the Raleigh/Durham area in North Carolina, which has combined efforts of educational institutions, research institutions, and industry and transportation development to create a healthy economic climate. The conference also covered scenic byway designation. A point made regarding scenic byway designation was that the sales generated by the tourism through an area should come from local industry or artisans to be truly counted as an economic benefit for the area, since that keeps money within the local economy. She pointed out that the southern rural states appear to be moving forward quickly to tie together economic development and transportation.

Commissioner Forner stated that she has been participating in the development of the metropolitan transportation planning organization in the Wenatchee area.

Commissioner Kargianis commented on the morning's discussion regarding measuring congestion. He pointed out that the Department is doing a good job of developing measures for non-recurrent congestion, and in developing rapid response to

incidents on the highways to minimize that form of congestion. He expressed his concern that the Department should devote efforts as well to developing measures for recurring congestion caused by a lack of highway capacity, and develop proposals for solving the recurring congestion. He stated his desire to have the Commission make solving recurring congestion a priority, and pointed out that a few years ago the Commission adopted a policy that congestion relief should be a priority of the state.

Commissioner Marr stated he was appointing himself and Commissioner Niva as the nominating committee to recommend officers for FY03. He stated the committee would present its nominations at the June meeting, with the intention of having the Commission elect a new chair and vice chair to take office on July 1. He also reported that he led a coalition of five chambers of commerce on a trip to Washington D.C. to discuss the needs of the communities in the Spokane Valley and Coeur d'Alene area with the members of the Washington and Idaho congressional delegations. The group advocated the I-90, North Spokane Corridor and the "bridging the valley" rail crossing corridor projects. Commissioner Marr also discussed with Senators Murray and Cantwell and Congressman Dicks the need for earmarked funding for Washington State Ferries on the operating side, especially for passenger-only ferries. He commented that he realized in his visits with the congressional delegation that while the state has developed the ability to obtain earmarked federal funds, the state has to raise significant amounts of revenue on its own, as well as pursue other mechanisms to identify and control costs and influence travel behavior to reduce congestion. Commissioner Marr also reported that he was asked to participate on a committee that is evaluating the focus and structure of the Department of Community Trade and Economic Development. He attended the first meeting of the committee the day before the Commission meeting, which looked at the economic development efforts of other states, and the past practices of Washington State. It was obvious from the presentations that transportation is an important factor in business decisions. He commented that the committee anticipates making many recommendations for improvement, including how the agency can assist the rural economies.

Commissioner Davis discussed the May 29<sup>th</sup> Transportation Pricing Conference, which will discuss what is being done around the world to use pricing as a means of reducing congestion. He also reported that he is making presentations to many organizations using the Department's "Overwhelmed Transportation System" overheads. He also reported that he has been actively working on the Trans-Lake Washington Project, meeting with community organizations concerned about the impact of the project on their communities, and also working with the Executive Committee to provide information to the county councils that will be involved in forming a regional transportation investment district. He stated he found in talking with the local staff involved in the regional transportation investment district project that the tolling assumptions did not reflect the Department's judgment regarding the best approach to implementing the total solution proposed for I-405.

## **UPDATE ON FEDERAL LEGISLATION**

Larry Ehl, WSDOT Federal Liaison, reported on recent congressional action. The House of Representatives just passed legislation that restores about \$4.5 billion in funding for FFY 03. The Senate proposal would increase funding by \$5.5 billion. Both numbers are less than what the Administration recommended. The proposals indicate the funding will be close to original funding levels. Mr. Ehl stated that hearings are being held regarding reauthorization of TEA 21, with twelve hearings scheduled during the coming year. The Governor's Stakeholder Committee on TEA 21 report will be out in the next few days, and Andrew Johnsen, the Governor's Transportation Policy Advisor, and Mr. Ehl will visit congressional delegation to brief the members regarding the recommendations.

## **INTRODUCTION OF DR. ALAA SHA'AT, GENERAL MANAGER, GAZA CONSTRUCTION SERVICES LTD.**

Secretary MacDonald introduced Dr. Allaa Sha'at, who is the General Manager of the Gaza Construction Services, Ltd. He is visiting WSDOT for a week as part of a national tour. Secretary MacDonald pointed out that the company is working to improve infrastructure in Palestine. Dr. Sha'at stated that he is a civil engineer working for the Gaza Construction Services, Ltd., which builds roads and other infrastructure in the area. He expressed his appreciation to USAID for its financial support of the projects, and to WSDOT for providing him information during his tour.

## **TACOMA NARROWS BRIDGE REPORT**

Randy Hain, Olympic Region Administrator, noted that there are 15 tasks to be accomplished by September 2002. He drew the Commission's attention to two tasks. The first task discussed was the state financing implementation activities, which has been scheduled for completion by September 18<sup>th</sup> due to bond sales issues and the need to complete by June 28<sup>th</sup> an agreement on the revised fixed price. The second task discussed was the revision of a design-build agreement, which is being negotiated at the present time. The target for the design-build agreement is mid-June. Mr. Hain stated that he anticipates four issues to be discussed in the fixed price agreement: cost increases due to inflation since the original agreement, the increase in the cost of bonds, the cost of marine equipment rental, and the source and price of steel. Mr. Hain pointed out that the decision to use steel manufactured and fabricated overseas was made in November 2000, by the Department and the contractor. The intention was to minimize the cost to the toll payers. Quotes at the time revealed a \$30 million difference in the cost. In response to questions from Commissioner Kargianis, Commissioner Marr suggested that some questions and their answers could affect the negotiation of contracts, and therefore should be dealt with during an executive session. Commissioner Kargianis requested that an executive session be held in the future to address the questions prior to the decision regarding the agreements is finalized. Mr. Hain agreed, and pointed out that the unions and steel manufacturers and fabricators had agreed to get together with the contractor and

Department to determine what can be done to meet their concerns while keeping the price of the project under the \$800 million legislative authorization. The discussion will center on the possible changes in the market conditions since the initial price survey of two years ago, which may result in a lower cost of US steel.

Amy Arnis, Financial Planning Manager, briefed the Commission regarding the role of the citizen advisory committee established by the legislation. The Governor shall appoint the nine members to the committee, from within the affected area. The Committee is to be given 20 days to review and comment on the proposed tolls prior to the Commission adopting tolls. Ms. Arnis pointed out that the facility is expected to be ready for tolling in Spring 2007, and recommended the formation of the Committee take place in Spring 2005 to allow time for a public involvement process. Rhonda Brooks, Public-Private Initiatives Program Manager, discussed the “affected project area” designation, and how the designation was initially decided. Commission Marr thanked Ms. Arnis and Ms. Brooks for their presentation, and commented that the Commission would have plenty of time under the proposed timeline to obtain public and committee input.

## **ANNUAL REPORT PROGRESS REPORT**

Linda Mullen, Communications Director, pointed out that the Department is producing much more in the way of information for the public, such as the Gray Notebook, the presentation “The Overwhelmed Transportation System”, and the new edition of Key Facts. She considered the purpose of the report, given the wealth of information available, and is suggesting that the annual report focus on messages from the Chair and Secretary, project delivery results, and comments from the Governor and the media. The report would also report on the operations initiative and the cost estimate validation process, and the benchmarking effort. Ms. Mullen asked for comments on the draft outline.

Commissioner Maher suggested that the information and examples within the report reflect the geographic diversity of the state. Commissioner Kargianis suggested that the report cover efforts to relieve both recurrent and non-recurrent congestion. Commission Davis suggested not overdoing the complementary quotes, which might diminish the credibility of the report. He also suggested using the information from the analysis of the results of one lane being blocked on congestion to illustrate the point. Commissioner Marr asked about the timeline. Ms. Mullen responded that the report would be published in early July. Commissioner Marr suggested that there are specific improvement initiatives underway, and each should have a vivid example of their benefits. He also pointed out that the report is often used as an opportunity to direct people to other information resources. He asked Ms. Mullen to provide an inventory of the various communication pieces, which would also show the relationship of each of the pieces. Ms. Mullen stated that Key Facts would tell the story of where the state is regarding transportation and financing, blending in parts of the Overwhelmed

Transportation System. It will be printed in June, in handbook format. The Gray Notebook is an ongoing measurement reporting, both in statistics and stories. The Key Facts is an introduction, and the Gray Notebook is an ongoing snapshot of performance. The annual report will be an overall summary of what has happened in the past couple of years. Commissioner Davis suggested that the unifying theme of the report should be that the Commission has a renewed sense of the importance of accountability.

## **CENTRAL PUGET SOUND HOV LANES VARIABLE HOURS OF OPERATION EVALUATION**

Toby Rickman, State Traffic Engineer, described the contents of a notebook of information, which reflects the data collection and analysis completed in the evaluation up to this point. The information being gathered through the evaluation is being provided to the public on the Department's web site. The report will report on the experiences of comparable regions, the financial implications, design and operational limitations, environmental undertakings, HOV and General Purpose lane usage, public attitudes, and HOV lane performance regarding travel time and reliability.

Charlie Howard, Northwest Division Planning and Policy Office Director, described the corridors being evaluated, which include nine corridors with HOV lanes. The facilities include I-5 Northgate to South Everett, I-405 Bellevue to Lynnwood, SR 520 Medina to Bellevue, SR 520 Bellevue to Redmond, I-90 Bellevue to Issaquah, I-90 Seattle to Bellevue, I-5 Des Moines to Seattle, I-405 Tukwilla to Bellevue, and SR 167 Auburn to Renton. Certain HOV facilities are not being evaluated, which include Sound Transit direct access facilities, other direct access ramps, transit-only facilities, SR 520 west of I-405, I-90 between Mercer Island and Seattle, Freeway queue jumps, arterial HOV facilities such as SR 522 and SR 99, and ramp meter bypasses.

Mr. Howard summarized the findings to date. All locations with HOV lanes experience slow traffic during peak periods. Several corridors, including parts of I-5, I-405 and SR 520 experience congestion related slowing throughout the day. HOV lanes are most heavily used during peak commute times. Volumes rise rapidly between 5:00 and 6:00 a.m., and fall off rapidly after 7:00 p.m. HOV lane usage in all locations averages less than 500 vehicles per hour after 8:00 p.m. and before 5:00 a.m. HOV lanes are most heavily used in the peak direction. HOV lanes maintain some travel time advantage even at mid-day. Regarding weekend HOV lane utilization, Mr. Howard commented that the average vehicle occupancy is higher during weekends, so a larger percentage of traffic is eligible to use the HOV lanes. Mid-day HOV volumes are higher on weekends than on weekdays. HOV lanes operate below capacity during weekends, and a higher percentage of weekend HOV use consists of multi-occupant private vehicles rather than public transportation. Most HOV lanes have low levels of transit service on weekends.

Mr. Howard stated that the Department found that HOV lanes provide a travel time advantage during daytime hours. The peak hour travel timesavings exist in all

corridors. The advantage is greater in the peak direction. HOV lanes have a travel time advantage mid-day, but the savings is far less than in the peak hours. At night, HOV lanes offer little travel time advantage. Most HOV lanes carry more people than the adjacent general purpose lanes. During peak periods, segments of I-5 and I-405 HOV lanes carry approximately twice as many people per hour as the average general purpose lane. HOV lanes on I-90, SR 520 and SR 167 carry fewer people than the adjacent general purpose lanes during the morning commute. During the evening commute in the peak direction, all the regional core HOV lanes carry more people per hour than the adjacent general purpose lanes, except I-90 and SR 520.

Mr. Howard pointed out that HOV lane use is growing faster than general purpose lane use. During peak hours, general purpose lanes are at or near capacity, so traffic growth is limited. Most HOV lanes operate at less than maximum capacity even during peak periods, which leaves room for growth.

Mr. Howard stated that transit service is an important component of the regional HOV system. Service is provided during peak periods on all regional HOV system segments. Passenger volumes exceed 2,000 passengers per hour on I-5 service into Seattle from both the north and south. Mid-day transit passenger volumes vary considerably from one corridor to another.

Mr. Howard discussed the financial implications of a change in HOV lane use. Approximately \$770 million in Federal Highway Administration funding was used to build the HOV lanes. The funding sources, however, do not appear to preclude modifications to operating policies. Major changes would require additional study. Federal Transit Administration Fixed Guideway Modernization funding is based on HOV lane miles and transit service miles, but adjustments to hours of operation do not result in reduced funding as long as other criteria continue to be met. Numerous urbanized areas around the country with peak hour HOV lanes receive FTA funding. Implementation costs depend on what change option, if any, is selected. A change to “static peak hour” HOV lane operation would cost approximately \$2 million. A change to “dynamic variable hour” operation would cost up to \$55 million.

The experience of other regions was reviewed. Large metropolitan areas with interconnected systems favor uniform operating policies. Regions with peak hour HOV lanes allow general use on weekends, while regions with all-day HOV operating policies extend that requirement to weekends. While regions comparable to the Puget Sound have not made very many changes to their policies, the changes have generally been to make more permissive policies.

Mr. Howard indicated the Department would return in June with further work on the safety and operational analysis, the environmental issues, the transit and vanpool issues, and an assessment of public attitudes and input.

## **AVIATION DIVISION UPDATE**

John Sibold, Aviation Division Director, reported on the move of the Division headquarters and his discussions with several constituent organizations about the Division. He explained the changes in the Airport Aid Grant Program, which includes the appointment of a new manager, Stan Allison. The Division recently awarded approximately \$300,000 in grants. Pavement preservation is the priority of the airports, and so the majority of the awards were for that purpose. He also explained to the Commission his rationale for the changes in the fleet for the Division. Mr. Sibold explained that he and Mr. Allison were traveling to each of the airports and visiting with each of the airport managers to understand the issues. He also informed the Commission that he is working on a strategic plan for the Division and has formed an advisory group to help him in that endeavor. The Division is also developing its ability to assist in rural economic development and the development of improved commercial aviation access to communities in each of the areas of the state. Commissioner Forner suggested that the Department request legislation to declare general aviation airports “essential public facilities” to protect them from encroachment by other uses. Commissioner Davis asked about helicopters and their use for “Department” work. Mr. Sibold stated that to his knowledge, the helicopters were mainly used for rescue missions. Commissioner Barnes asked about the possibility of a new airport in the SW Region. Mr. Sibold indicated that this issue has been looked at in the past, but it is an issue that needs to be opened up again for discussion.

Al Banholzer, President of the Washington Pilots Association, stated that the pilots would like to be involved in the decision-making affecting the Division’s service to the community. He stated the pilots understand that the final decisions might not always be what the pilots would like, but they would appreciate the ability to have input.

The Commission meeting adjourned at 10:45 a.m. on May 16, 2002.